



Head Office:
GK Tower, 2nd & 3rd floor,
19, Camac Street, Kolkata – 700017
West Bengal, India
Board Number: + 91-33-7103 4400
Fax No: + 91-33-2290 2882
CIN: L27310JH2006PLC012663

Ref. No. : Sec/Shares/17-18/41

12th August, 2017

BSE Limited Phiroze Jeejeebhoy Towers, 1 st Floor, Dalal Street, Fort, Mumbai – 400 001 Scrip Code: 533264	The National Stock Exchange of India Ltd., Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 Scrip Code: ESL
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Sub: Approval of Un-audited Financial Results for Quarter ended June 30, 2017 (*pertaining to period before commencement of the Corporate Insolvency Resolution Process*)

Dear Sir/ Madam,

This is to inform you, pursuant to the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that the Interim Resolution Professional ('IRP') on August 12, 2017 has considered and taken on record the un-audited financial results and limited review report for the quarter ended June 30, 2017.

The un-audited financial statements and limited review report pertains to period before commencement of the Corporate Insolvency Resolution Process. Consequently, the IRP is not in a position to certify the truthfulness, fairness, accuracy or completeness of the quarterly financial statements prepared for the quarter ending June 30, 2017 and has not conducted an independent verification of such statements. The IRP has relied on the certifications, representations and statements made by the Mr. Sunil Katial, Chief Executive Number, Mr. Ashutosh Agarwal, Chief Financial Officer and the management in relation to the financial accounts and records."

The un-audited financial statements and limited review report is enclosed herewith.

Further, please note that the Company has already made necessary arrangement to publish the same in newspaper as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.





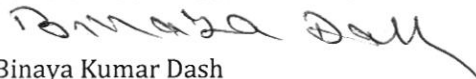
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The meeting of key managerial personnel, IRP and Statutory Auditors commenced at 12 noon and concluded at 12:55 p.m.

Please acknowledge the receipt.

Thanking you,

For **Electrosteel Steels Limited**


Binaya Kumar Dash
Company Secretary & Compliance Officer
ICSI: A17982



Encl: As above

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2017

 in lakhs except,
 per share data


Particulars	Quarter Ended			Year Ended
	30 Jun'17	31 Mar'17	30 Jun'16	31 Mar'17
	Unaudited	Audited	Unaudited	Audited
1 Income				
Revenue from operations	77,317.09	74,283.12	85,780.50	277,429.58
Other Income	4,177.08	5,967.88	2,499.89	6,981.29
Total income	81,494.17	80,251.00	88,280.39	284,410.87
2 Expenses				
Cost of materials consumed	52,620.93	43,729.07	43,631.81	153,425.33
Purchase of stock-in trade				
Changes in inventories of finished goods, work-in-progress and stock in trade	(8,258.95)	2,250.21	4,051.34	11,709.47
Excise duty on sale of goods	6,629.74	6,668.12	7,407.30	23,304.94
Employee benefits expense	3,695.63	3,485.92	2,660.08	13,117.63
Finance costs	28,060.36	27,952.63	24,325.53	112,983.05
Depreciation and amortisation expense	11,963.51	11,786.17	12,078.82	47,878.97
Other Expenses	18,752.42	13,712.61	21,210.10	68,339.47
Total expenses	113,463.64	109,584.73	115,364.98	430,758.86
3 Profit/(Loss) before tax and exceptional items	(31,969.47)	(29,333.73)	(27,084.59)	(146,347.99)
4 Exceptional items	(7,750.00)			
Profit/(Loss) before tax	(24,219.47)	(29,333.73)	(27,084.59)	(146,347.99)
5 Tax expense				
Current Tax				
Deferred Tax				
6 Profit/(Loss) for the Period	(24,219.47)	(29,333.73)	(27,084.59)	(146,347.99)
7 Other Comprehensive Income (OCI)				
i. Items that will not be reclassified to profit or loss:				
Remeasurement of defined benefit plans	5.79	57.91	(9.84)	-24.91
ii. Income tax relating to items that will not be reclassified to profit or loss				
Total comprehensive income for the period	(24,213.68)	(29,275.82)	(27,094.43)	(146,323.08)
8 Paid up equity share capital (Face Value of ₹ 1/- each)	240,923.50	240,923.50	240,923.50	240,923.50
9 Other equity excluding revaluation reserve				(297,708.10)
10 Earnings Per Share (of ₹ 10/- each) (not annualised):				
(a) Basic	(1.01)	(1.22)	(1.12)	(6.07)
(b) Diluted	(1.01)	(1.22)	(1.12)	(6.07)

NOTES

- The Company's Integrated Steel & DI Pipe Plant is in the State of Jharkhand, India. A part of plant facility is still under construction & erection and the expenditure related thereto continues to be accounted as 'Project Development Expenditure' pending capitalization.
- The Company has incurred significant amount of losses leading to erosion of net worth and the Current liabilities exceeds the current assets. Since due compliance of the sanctioned CDR package could not be met with, the lenders have since invoked the 'Strategic Debt Restructuring' (SDR) pursuant to RBI Circulars dated June 08, 2015 and Sept 24, 2015. Further, due to SDR also having not been implemented, on 27th June 2017 the State Bank of India, in its capacity as financial creditor has filed a petition under Insolvency and Bankruptcy Code, 2016 (IBC) with The Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT). On 21st July 2017, the NCLT vide its order of even date, has admitted the Corporate Insolvency Resolution Process (CIRP) in respect of the Company and appointed Mr. Dhaivat Anjaria, Registration Number: IBBI/IPA-001/IPP00088/2017-18/10184 as the Interim Resolution Professional (IRP) in terms of the IBC.
 As per Sec. 17 of the IBC, the powers of the Board of Directors stands suspended and such powers have vested with the Interim Resolution Professional appointed as above. The time allowed for resolution process is 180 days from the date of admission, which can be further extended for a period of not more than 90 days.
 The NCLT order also provides for a moratorium with effect from 21st July 2017 till the completion of the CIRP process or until approval of the resolution plan under Section 31(1) or an order for liquidation of the Company under section 33 is made, whichever is earlier. CIRP is ongoing and is yet to be completed.
 Under the CIRP, a resolution plan needs to be prepared and approved by the Committee of Creditors (CoC). The CoC is yet to be formed. The resolution plan which would be approved by the CoC will need to be further approved by NCLT to keep the Company as going concern. Currently the resolution plan is under formulation, hence the financial statement of the Company are continued to be prepared on the going concern basis.
 Various options are being explored as a part of the resolution plan including optimization of plant utilization, improving operational efficiencies, cost control measures and seeking of potential investment in form of equity/priority debt etc. to improve the Company's operating results, completion of its balance sheet and servicing of the debt.
- Exceptional item relates to the interim payment received from the insurers against 'loss of profit' claim of the company due to the accident at the oxygen plant in May, 2016.
- The Company's activities during the period were relating to setting up of its Integrated Steel & DI Pipe Plant. A part of the plant facility has commenced production. Considering the nature of the Company's business operations and future prospects and possible capacity utilisation etc., there are no separate reportable segments (business and/ or geographical) in accordance with the requirements of IND AS 108 'Operating Segments'.
- Previous quarters / year figures have been reclassified wherever appropriate to confirm to current year's presentation.
- The figures for the quarters ended March 31, 2017 are the balancing figures between the audited figures in respect of the full financial year 2016-17 and the year to date up to the quarter ended December 31, 2016.
- The above financial results which have been prepared in accordance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular dated July 5, 2016. The above results have been subjected to Limited Review by the Statutory Auditors. Since the powers of the board of directors has been suspended after commencement of the Corporate Insolvency Resolution ('CIR') process, and are exercisable by Mr. Dhaivat Anjaria, the Interim Resolution Professional ('IRP') appointed by Hon'ble National Company Law Tribunal, Kolkata Bench, the above financial results have been certified by Mr. Sunil Katal, Chief Executive Officer and Mr. Ashutosh Agarwal, Chief Financial Officer and thereafter provided to the IRP. The Board of Directors of the Company was in charge of the business and conduct of the Company until the CIR Commencement Date (i.e. July 21, 2017) and all operations until such date were being undertaken under the supervision and management of the erstwhile Board of Directors. Mr. Dhaivat Anjaria has taken charge as the IRP from July 21, 2017. Consequently, the IRP is not in a position to certify the truthfulness, fairness, accuracy of completeness of the quarterly financial statements prepared for the quarter ending June 30, 2017 and has not conducted an independent verification of such statements. The IRP has relied on the certifications, representations and statements made by Mr. Sunil Katal, Chief Executive Officer, Mr. Ashutosh Agarwal, Chief Financial Officer and the management in relation to the financial accounts and records.

For Electrosteel Steels Ltd.

 Place: Kolkata
 Date: Aug 12, 2017


 Mr. LALJI KUMAR SINGHI
 Director
 Din: 00893144

Independent Auditor's Review Report on Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Interim Resolution Professional of M/s ELECTROSTEEL STEELS LIMITED

1. We have reviewed the accompanying statement of unaudited financial results ('Statements') of M/s ELECTROSTEEL STEELS LIMITED ('the Company') for the quarter ended June 30th, 2017, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This statement is the responsibility of the Company's Management and has been reviewed by key managerial personnel and provided to the Interim Resolution Professional (IRP). Our responsibility is to issue a report on the statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognised accounting practices and policies has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. Emphasis of Matter

Attention is drawn to the Note '2' of the accompanying Statement, stating thereto the matter of the Company incurring losses continuously and consequently the net worth being eroded completely, the current liabilities exceeding the current assets, due compliance of CDR package not being met with and 'Strategic Debt Restructuring' (SDR) also having not been implemented. Consequent thereto, on 27th June 2017, State Bank of India, in its capacity as financial creditor had filed a petition under Insolvency and Bankruptcy Code, 2016 (IBC) with The Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT). On 21st July 2017, The NCLT vide its Order of even date, has admitted the Corporate Insolvency Resolution Process (CIRP) in respect of the Company and appointed an Interim Resolution Professional (IRP) in terms of the IBC. Considering these, the Company has presented these Statements on going concern basis.

Kolkata

August 12th, 2017



B Chhawchharia & Co.
Firm Registration No.: 305123E
Chartered Accountants


Sushil Kumar Chhawchharia
Partner
Membership No. 008482